



Compliance and Ethics

Ethics Program

Celestica's policy on equal employment opportunity prohibits discrimination based on race, color, creed, religion, national origin, gender, sexual orientation, gender identity, age, marital status, veteran or disability status, or other characteristics protected by law. This policy applies to hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral and other aspects of employment and also states that retaliation against a person who files a charge of discrimination, participates in a discrimination proceeding, or otherwise opposes an unlawful employment practice is not tolerated. Celestica is committed to protecting the human rights of all employees across our operations.

Celestica examines actual and potential impacts that can occur as a result of our operations. Stakeholders are involved in the process of identifying impacts, as well receiving updates on how the material topic affects our operations. Celestica recognizes that our operations can have an actual or potential impact on employees and Celestica itself such as:

- Legal
- Reputational
- Business Relationships
- Company Values

Celestica measures the success of our ethical employment practices through various Key Performance Indicators (KPIs) that are collected and analyzed annually, including new hires, turnover rates, gender diversity and ethics hotline reporting. Celestica uses these metrics to inform our management approach.

Our Management Approach

- Maintain a workplace with a high standard of ethics that is free from discrimination and harassment
- Our [Business Conduct Governance Policy \(BCG\)](#) documents our strong stance on compliance and ethics
- Ensure our employees are aware of how they can voice their concerns on ethical matters
- Employee awareness is heightened through Ethics Awareness Centers at each of our sites which provides Ethics Wallet Cards and Ethics Hotline information which is a grievance mechanism available to all employees

- Promote open communication within the ethics program, ensure that all incidents of misconduct are investigated and actions taken without delay

Labour and Ethics Management

Our Management Approach

- Set objectives and targets in the first quarter of each year and track our performance throughout the year
- Develop measurements to track our progress and make continuous improvements
- Develop action plans for risks identified in the risk assessment. If targets are not met, the site Human Resources manager, in partnership with the site Leadership team who manages the assessment report until resolved
- Execute our Labour and Ethics Management System
- Monitor labour conditions at each of our sites
- Conduct internal audits and site-level risk assessments
- Review labour and ethics actions and status at management review meetings
- Revise programs to make improvements based on feedback from site leads and stakeholders

Social and Environmental Supplier Assessments

GRI 308-1

Celestica uses a value-chain approach to address our carbon emission impacts by setting climate goals for our global operations, supply chain, and product portfolios, as well as identifying the social and economic impacts our operations have across the supply chain. Celestica completes social and environmental supplier assessments annually to identify opportunities of improvement and mitigate any negative impacts our operations may impose on the environment, people and economy. Stakeholders are involved in the process of identifying impacts, as well receiving updates on how the material topic affects our operations. Celestica examines contextual issues that can occur as a result of our operations. The following are examples of contextual issues that are examined during the assessment to have actual or potential impacts on our operations:

- How supplier's values affect Celestica's reputation
- Supplier data transparency
- Loss/gain of suppliers based on value alignment
- Scope 3 emissions

Within our supply chain, Celestica communicates our environmental compliance policy documents and requirements by the Responsible Business Alliance (RBA) Code of Conduct, which Celestica has adopted. Celestica has also introduced a "Environmental Compliance for Purchased Components" wherein supplier requirements are outlined. Our supplier policies and resources can be found on Celestica's external website. A select set of suppliers known as our preferred suppliers (strategic suppliers not constrained by customer contracts or product design) are advised of our sustainability goals, are assessed for risk and abiding to the RBA Code of Conduct, and are measured and scored on their sustainability maturity through requested and collected data for our supplier scorecard program (SPoT). Celestica's preferred suppliers are offered more opportunities to conduct business as they meet scoring criteria. We ensure that they are aware of and follow the Responsible Business Alliance compliance requirements, completed annual self-assessment questionnaires, complete bi-annual verification visits or other forms of audits, and work to close corrective actions. Celestica measures success of the SPoT program by supplier participation metrics and business relationship growth with our preferred suppliers.

Our Management Approach

- Comply with industry standards to ensure working conditions in the supply chain are safe
- Ensure workers are treated with respect and dignity
- Ensure manufacturing processes are environmentally responsible
- Assess and monitor key suppliers through risk assessment tools, in compliance with the RBA on a regular cadence
- Track and support suppliers in improving assessment scoring upon completed assessments

- Score key direct suppliers on environmental, social, and ethical activities in their operations and make operational business decisions from results

Ethical Sourcing

Celestica exercises due diligence to ensure materials procured ethically, and have a minimal impact on the environment and people. Stakeholders are involved in the process of identifying impacts, as well receiving updates on how the material topic affects our operations. Celestica examines contextual issues that can occur as a result of our operations. The following are examples of contextual issues that are examined during the assessment to have actual or potential impacts on our operations:

- Extraction of finite minerals poses a threat to the environment and people
- Sourcing minerals from areas of conflict
- Altering material selection process

Within our supply chain, Celestica communicates our environmental compliance policy documents and requirements by the Responsible Business Alliance (RBA) Code of Conduct, which Celestica has adopted. Celestica has also introduced a “Environmental Compliance for Purchased Components” wherein supplier requirements are outlined. Our supplier policies and resources can be found on Celestica’s external website. A select set of suppliers known as our preferred suppliers (strategic suppliers not constrained by customer contracts or product design) are advised of our sustainability goals, are assessed for risk and abiding to the RBA Code of Conduct, and are measured and scored on their sustainability maturity through requested and collected data for our supplier scorecard program (SPoT). Our supplier scorecards were enhanced to incorporate a larger weighting in sustainability, specifically on conflict minerals. We ensure that they are aware of and follow the Responsible Business Alliance compliance requirements, complete annual self-assessment questionnaires, complete bi-annual verification visits or other forms of audits, and work to close corrective actions. Celestica measures the success of our ethical sourcing practices by ensuring compliance to the RBA Code of Conduct and our own Conflict Minerals Policy.

Our Management Approach

- File an annual conflict minerals report to the Securities and Exchange Commission (SEC)
- Complete the [Conflict Minerals Reporting Template](#) provided by the Responsible Minerals Initiative (RMI), formerly the Conflict-Free Sourcing Initiative (CFSI)
- Ensure proper implementation of Celestica’s [Conflict Minerals Policy](#)
- Identify new smelters and refiners which may require audits using a Celestica standardized template
- Assist customers to comply with Restriction of Hazardous Substances (RoHS) and Waste Electrical and Electronic Equipment (WEEE) directives
- Manage and identify goods that must comply with a RoHS directive
- Maintain policies for environmental requirements for purchased components, chemicals, and consumables used by Celestica